

# **5 Things to Consider When Considering Proprietary or Open Network APIs**



Every organisation undertaking an innovation programme eventually faces the same decision when considering the network integration element: build on the vendor's proprietary API or develop using an open standard API?

The choice can seem purely technical, but today it's also a business question related to managing costs, agility, and control years into the future. Here are five things worth considering when looking at your options.

### 01. Does the market, or the regulator, expect an open standard?

In some sectors, "open" isn't a preference, it's the direction of travel. Open banking is the clearest example: over 60 countries now mandate standardized financial APIs.

When an industry is heading toward mandated interoperability, building on a closed, proprietary interface early just means a forced rewrite later. Conversely, in domains without regulatory pressure or a dominant open standard, chasing "openness" without ensuring those standards are validated by independent organisations like CAMRA could mean building on immature, inconsistently implemented specifications. Check with GSMA OpenGateway, where you can find over 300 validated and accredited standardised Network APIs for a variety of industries and use cases.

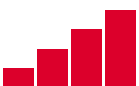
### 02. How critical is this to your business strategy, and how important is time to value?

API integration can be slow, complex and impact other areas of your operations if issues or errors arise. Open APIs that have been certified and assessed remove much of the heavy lifting required by your developers and engineers. If you want to go fast, while reducing risk in the short and longer term, open standards APIs can provide the acceleration and dependencies your business needs to deliver new services quickly and consistently.

### 03. Do you need revolutionary, or speed and scalability?

Proprietary APIs can be best when you are adopting some new, "next-gen" network capabilities, or where security or a very niche use case may be a key determinant. Open alternatives win on cost and portability once a capability becomes more commoditized. But there are no 'hard and fast' rules and each use case should be assessed on its own requirements and merit.

Open standards APIs options now perform "good enough" for most real-world enterprise use cases, at a fraction of the cost of proprietary equivalents, while proprietary APIs can be the better choice for the harder, less common cases. The practical implication is that a hybrid approach is where a large share of mature organizations are headed, rather than an all-or-nothing choice.



### 04. Who is accountable if something breaks?

A single point of failure in a proprietary system is easier to diagnose and demand fixes for, but it's also a systemic risk: several high-profile outages and exploits have traced back to over-reliance on one centralized provider with no fallback. Open, multi-provider architectures spread that risk but may require you to actively manage more relationships and support teams. Before choosing either path be clear: who is contractually and operationally responsible for keeping your products and services running? Who do you call in the event of an issue?

### 05. Do you have a strategy for change?

Proprietary APIs can be expensive to exit if not planned carefully, and introducing new Open Network APIs still requires development, testing and integration. If a project involves deep, vendor-specific solutions involving custom data formats, proprietary SDKs, or fine-tuned model behaviour, planning your transition with early collaboration between network operators, technology vendors and your IT providers is key.

That's the underlying purpose of GSMA Fusion, facilitating that collaboration to enable the development of Network API's built on open standards, but targeted to address the specific needs of your business.

**Learn more:** <https://www.gsma.com/solutions-and-impact/gsma-open-gateway/gsma-fusion/>

